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Counsel for Plan Trustee

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF WASHINGTON  
AT SPOKANE

In Re:

THE CATHOLIC BISHOP OF  
SPOKANE,

Debtor.

Case No. 04-08822-FPC-11

PLAN TRUSTEE'S FINANCIAL  
REPORT

Maggie Lyons, Plan Trustee herein, files the Trustee's financial reports for the period ending June 30, 2014 as follows:

Your Plan Trustee is successor to Gloria Nagler appointed by Order of this Court on July 5, 2012.

**I. SUMMARY OF PLAN TRUST ACTIVITY.**

**1.1 Initial Tort Claimant Distributions.**

Trustee Nagler made distributions to Initial Tort Claimants on July 30, 2007, August 13, 2007 and December 14, 2007 and through the claims agent, BMP, provided the accounting of those payments to successor Trustee Lyons. On October 12, 2012 Trustee Lyons made an additional distribution of \$600,000 to Initial Tort Claimants. On June 2, 2014, Trustee Lyons distributed the sum of \$300,074 to claimants. These distributions are reflected on Exhibit A hereto.

PLAN TRUSTEE'S FINANCIAL REPORT 1

[51398578.151397256.4](#)

1     **1.2 Future Claims and Enforcement Reserve.**

2             The Future Clams Fund is presently at \$200,000 plus a small interest  
3     accrual. In accordance with the Future Claims Commitment the Plan Trustee will,  
4     upon notification of allowance of a claim or claims, notify the Reorganized Debtor  
5     to pay the requisite amounts into the Plan Trust for payment by the Trust. There  
6     are no unpaid and allowed Future Claims at this time.

7             It is possible that some allowed future claims have been paid directly by the  
8     Reorganized Debtor or from insurance coverage. The Plan Trustee does not  
9     presently have the accounting for such payments, if any.

10    **1.3 Future Claims Distributions.**

11            Accounting received from former Trustee Nagler's accountant indicates  
12    payment made by her to four allowed claims totaling \$320,000.

13    **1.4 No Allowed Unpaid Future Claims.**

14            Trustee Lyons has received no notification of allowed future claims and  
15    therefore has paid no future claims.

16                               **II. BALANCE SHEETS**

17    **2.1 Balance Sheet.**

18            Balance sheet attached for June 30, 2014, Exhibit B.

19    **2.2 Form of Trust Assets.**

20            All of the assets of the Trust are in the form of cash in bank accounts and  
21    certificates of deposit as noted on the balance sheets. In 2014, the Plan Trustee and  
22    her counsel negotiated a 20% share of the net recovery in the law suit filed by the  
23    Diocese against the Paine Hamblen law firm and certain of its principals pending  
24    in adversary proceeding #14-80001. The suit is has not been resolved and the  
25    value of this asset cannot be determined.  
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DATED this 26th day of September, 2014.

*s/ Dillon E. Jackson*

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